

shall, as such, be subject to all portions of the regulations in this part, so far as they may relate to warehousemen. In case there is a law of any State providing for a system of warehouses owned, operated or leased by such State, a person applying for a license under section 9 of the act, to accept the custody of grain and to store the same in any of said warehouses, may, in lieu of a bond or bonds, complying with §§ 736.13 and 736.14, file with the Secretary, or his designated representative, a single bond meeting the requirements of the act and this part, in such form, and in such amount not less than \$5,000 as he shall prescribe, to insure the performance by such person, with respect to the acceptance of the custody of grain and its storage in the warehouses in such system for which licenses are or may be issued, of his obligations arising during the periods of such licenses, and in addition, if desired by the applicant, during the periods of any amendments thereto. In fixing the amount of such bond, consideration shall be given, among other appropriate factors, to the character of the warehouses involved, their actual or contemplated capacity, the bonding requirements of the State and its liability with respect to such warehouses. If the Secretary, or his designated representative, shall find the existence of conditions warranting such action, there shall be added to the amount of the bond, so fixed, a further amount, fixed by him, to meet such conditions.

**§ 736.97 Publications.**

Publications under the act and the regulations in this part shall be made in such media as may be deemed proper by the Administrator.

**§ 736.98 Information of violations.**

Every person licensed under the act shall immediately furnish the Department any information which comes to the knowledge of such person tending to show that any provision of the act or the regulations in this part has been violated.

**§ 736.99 Procedure in hearings.**

Hearings under the Act or the regulations in this part, except those relating to appeals or arbitrations shall be con-

ducted in accordance with the Rules of Practice Governing Formal Adjudicatory Administrative Proceedings Instituted by the Secretary under various statutes (7 CFR 1.130 through 1.151).

[45 FR 6775, Jan. 30, 1980. Redesignated at 50 FR 1814, Jan. 14, 1985]

**§ 736.100 One document and one license to cover several products.**

A license may be issued for the storage of two or more agricultural products in a single warehouse. Where such a license is desired, a single application, inspection, bond, record, report or other paper, document or proceeding relating to such warehouse, shall be sufficient unless otherwise directed by the Administrator.

**§ 736.101 Assets and bond; combination warehouses.**

Where such license is desired, the amount of the bond, net assets, and inspection and license fees shall be determined by the Administrator in accordance with the regulations applicable to the particular agricultural product which would require the largest bond and the greatest amount of net assets and of fees if the full capacity of the warehouse was used for its storage.

**§ 736.102 Amendments.**

Any amendment to this part, unless otherwise stated, shall apply in the same manner to persons holding licenses at the time it becomes effective as it applies to persons thereafter licensed under the act.

TERMINAL AND FUTURES CONTRACT  
MARKETS

**§ 736.103 Futures contract markets defined.**

For the purpose of §§ 736.103 through 736.111 a futures contract market is any grain market designated as a futures contract market under authority of the Commodity Exchange Act (49 Stat. 1491, as amended; 7 U.S.C. 1–17a).

[29 FR 15730, Nov. 24, 1964. Redesignated at 50 FR 1814, Jan. 14, 1985, and amended at 53 FR 2477, Jan. 28, 1988]

**§ 736.104 Licenses to weigh grain; futures markets.**

Licenses to weigh grain into, out of, and within licensed warehouses, receipts of which are deliverable in satisfaction of futures contracts may be issued to the weighmaster and his deputies of such contract market.

**§ 736.105 Registrar of warehouse receipts; futures contract market.**

The Administrator may approve as registrar of warehouse receipts issued for grain in licensed elevators operating in any terminal market or in any futures contract market the official designated by the State in which such market is located, if such an official position has been created by law, or any other individual, provided such individual is not an employee of, or the owner of, any such licensed elevator, or the owner of, or an employee of the owner of, grain deposited in any such licensed elevator.

**§§ 736.106—736.107 [Reserved]****§ 736.108 Additional bonding required.**

In addition to the financial responsibility and the bonding requirements of §§ 736.6, 736.13 through 736.17, such additional bond shall be required for the protection of the public as will make the bonded responsibility of each licensed warehouseman equal to the maximum amount of bond required of nonlicensed warehousemen by the exchange, board of trade, or other agency within said market in which the licensed warehouseman is operating.

**§ 736.109 Examination of warehouses; board of trade interest.**

Annually or more frequently if desired, a duly authorized committee of any exchange or board of trade that has been designated as a contract market may enter any warehouse operating under the regulations in this part, when accompanied by U.S. warehouse examiners, to observe the official examination of the warehouse; or such committee may participate in the making of such examination, under the supervision and direction of the U.S. warehouse examiner in charge. The committee shall be afforded full knowledge of the quantities, kinds, grades,

and condition of all grain in the warehouse. The committee may also with the warehouse examiners have access to the warehouseman's records of receipts, fire insurance, weights and grades. In lieu of an examination by any committee of the exchange or board of trade the Department will furnish if desired to the secretary of the exchange or board of trade a summarized statement of its findings of conditions at each licensed warehouse operating within the market.

**§ 736.110 Registration of public warehouse receipts; protection.**

When a contract market designates any agency for the registration of public warehouse receipts and such agency is approved as provided for in § 736.105, all warehouse receipts shall be registered with the registrar and any change in ownership of a warehouse receipt shall be reported to the registrar by the owner thereof, giving his name and address to the registrar. All registered receipts shall be entitled to the following protection:

(a)(1) Whenever any licensed warehouseman considers that any grain stored in his warehouse is out of condition, or becoming so, and should be loaded out in order to protect the interests of the parties concerned, such warehouseman shall notify the registrar and the Administrator, giving the location, approximate quantity, grades, and condition of such grain, and the specific reason which makes loading out necessary. The registrar shall immediately notify the chief sampler, if there be one, otherwise the chief inspector, of the contract market who shall at once proceed to the warehouse in which the grain is stored and examine it, in conjunction with the licensed warehouseman. If the chief sampler, or chief inspector, agrees with the warehouseman that the grain should be loaded out, he shall so notify the registrar and the Administrator. If the chief sampler does not agree with the warehouseman, the latter shall have the right to appeal to the Administrator who shall appoint an appeals committee as provided in § 736.107. If, on such appeal, the warehouseman is sustained, the registrar shall be notified and such warehouse receipts as are